

## Investors with Combined \$240B Portfolio Ask EPA to Adopt Tough Coal Ash Ruling

By Leon Kaye | September 16th, 2010



Coal ash, a byproduct of coal power generation, has become a pressing problem across the United States. While recycling of coal ash into building materials has increased over the past several years, much of it is still disposed landfills and ash ponds,—with the risk of harmful results, especially local residents who could be exposed to contaminated water.

Dangers from lax coal ash disposal reared its ugly head in 2008, when a Tennessee Valley Authority storage site leaked, then gushed, and created a massive spill in Kingston, Tennessee: by some estimates, it was 8 times as large as the Deepwater Horizon spill in the Gulf of Mexico. Name a toxin ending in –ium or –ite, and chances are it is in coal ash, fly ash, coal slurry . . .

many names with the same danger. Now the hard work of a corporate social responsibility advocacy group has resulted in an open letter signed by a group of investors representing US\$240 billion in assets. Together, they request that the US Environmental Protection Agency adopt a proposed ruling that would tighten the standards surrounding the clean-up of unlined coal ash ponds across the country.

California-based **As You Sow** has highlighted the dangers of coal ash disposal, and has put pressure on publicly-owned large utilities through shareholder resolutions. For example, CMS, a utility with 6 million customers in the Midwest, operates a coal plant near Bay City, Michigan, that the state's Public Service Commission considers unnecessary. **As You Sow's** shareholder proposal asked CMS to reduce its environmental and health hazards associated with coal combustion waste: it earned the approval of 43% of shareholders' vote, scoring it one of the highest first-year proxy votes on sustainability issues in proxy history. The CMS vote was one step in **As You Sow's** determination to hold coal burning utilities' accountability for the waste generated from coal-fired plants.

Now the group's new push, backed by those investors, is to encourage the EPA to adopt Subtitle C, which includes federally-enforceable standards to tackle clean-up issues of coal ash disposal ponds. The EPA has begun a public comment period that ends on November 19, after which it will decide whether to incorporate Subtitle C or Subtitle D, which would only maintain the current patchwork of unenforceable state-determined standards.

The pursuit of safe coal ash disposal and recycling is not just about the environment: the Kingston spill could cost as much as US\$1 billion. Meanwhile coal has contaminated water in 24 states. It is easy to dismiss regulation as "government intervention," but intervention occurs anyway when there is a disaster—and as the US population grows, especially in regions like Charlotte, NC, it is even more crucial that sources of clean water are offered protection.